



**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
FOR THE STATE OF TENNESSEE**

<b>TENNESSEE SECURITIES DIVISION,</b>	)	
	)	
<b>Petitioner,</b>	)	
	)	
<b>v.</b>	)	<b>TSD No.: 21-058</b>
	)	<b>TID No.: 21-159</b>
<b>JACK R. MEECE,</b>	)	
	)	
<b>Respondent.</b>	)	

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**CONSENT ORDER**

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The Securities Division and Insurance Division of the Tennessee Department of Commerce and Insurance, by and through undersigned counsel, and Jack R. Meece (“Respondent”) agree to the entry and execution of this Consent Order in accordance with Tennessee Code Annotated (“Tenn. Code Ann.”) § 48-1-116 of the Tennessee Securities Act of 1980 (“Securities Act”), as amended, and Tenn. Code Ann. §§ 48-1-101 to 48-1-201 and Tenn. Code Ann. §§ 56-1-202 and 56-6-112 of the Tennessee Insurance Law (“Insurance Law”), subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”).

**I. PARTIES**

1. The Securities Division and the Insurance Division are the lawful agents through which the Commissioner discharges the administration of the Securities Act pursuant to § 48-1-115 and Insurance Law pursuant to Tenn. Code Ann. §§ 56-1-202 and 56-6-112.

2. The Respondent is a resident of Tennessee, is not currently registered with the Securities Division, and was assigned Central Registration Depository (“CRD”) number 4729386

by the Financial Industry Regulatory Authority. The Respondent's CRD number is listed as inactive.

3. The Respondent held Tennessee Resident Insurance Producer License Number 905455, which expired on March 21, 2021.

4. The Respondent was assigned National Insurance Producer Number 7998255 by the National Insurance Producer Registry ("NIPR"), a service of the National Association of Insurance Commissioners ("NAIC").

## **II. GENERAL STIPULATIONS**

5. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of this Consent Order by the Commissioner. Entry and execution of this Consent Order by the Commissioner shall occur when the Commissioner signs and dates this Consent Order.

6. It is expressly understood that this Consent Order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Securities Act and the Insurance Law.

7. This Consent Order is executed by the Commissioner, the Securities Division, the Insurance Division, and the Respondent to avoid further administrative action with respect to the findings of fact described herein. Should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

8. The Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts and/or omissions not

specifically addressed in this Consent Order nor for facts and/or omissions that do not arise from the facts or transactions herein.

9. The Respondent fully understands that this Consent Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for acts or omissions addressed specifically in this Consent Order, violations of law under statutes, rules, or regulations of the State of Tennessee that arise out of the facts, acts, or omissions contained in this Consent Order, or acts or omissions addressed specifically herein that result from the execution of this Consent Order.

10. The Respondent waives all further procedural steps and all rights to seek judicial review of, or otherwise challenge the validity of this Consent Order, the stipulations and imposition of discipline contained herein, or the consideration and entry and execution of this Consent Order by the Commissioner.

### **III. FINDINGS OF FACT**

11. On March 11, 2020, the Securities Division notified the Financial Services Investigation Unit (“FSIU”) about allegations that the Respondent misappropriated funds from his former employer.

12. FSIU opened an Order of Investigation for the Securities Division and an Inquisitorial Order for the Insurance Division.

13. The Respondent was responsible for the bookkeeping duties at the partnership level for Knox Wealth Partners Advisory (“KWPA”).

14. Subsequently, on January 14, 2020, KWPA discovered that the Respondent misappropriated funds for personal use from corporate operating accounts for forty-nine thousand, thirty-two dollars (\$49,032.00).

15. By January 31, 2020, the Respondent paid back the funds to the firm.

16. On March 27, 2020, LPL Financial, the Respondent's former employer, filed a Form U-5 with CRD that stated the Respondent was "Permitted to Resign" on March 5, 2020, for a "Dispute with Knox Wealth Partners Advisory regarding ownership contributions."

17. On June 23, 2021, an investigator with FSIU interviewed the Respondent by telephone, and the Respondent stated that he borrowed twenty-one thousand dollars (\$21,000.00) from KWPA's checking account, that he put the borrowing on the company's books, and that he intended to pay the funds back. The Respondent stated that the remaining twenty-eight thousand dollars (\$28,000) was related to salary and rent for staff.

#### **IV. CONCLUSIONS OF LAW**

18. Pursuant to Tenn. Code Ann. § 48-1-115(a), the responsibility for the administration of the Securities Act is vested in the Commissioner. The Securities Division is the lawful agent through which the Commissioner discharges this responsibility pursuant to Tenn. Code Ann. § 48-1-115(b).

19. Pursuant to Tenn. Code Ann. §§ 56-1-202 and 56-6-112, the responsibility for the administration of the Insurance Law is vested with the Commissioner. The Insurance Division is the lawful agent through which the Commissioner discharges this responsibility.

20. Tenn. Code Ann. § 48-1-116 sets forth that the Commissioner may make, promulgate, amend, and rescind such orders as are necessary to carry out the provisions of the Act upon a finding that such order is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act.

21. Tenn. Code Ann. § 48-1-112(a)(1) and (a)(2)(B) provide that the Commissioner may by order deny, suspend, or revoke any registration upon finding that the order is in the public

interest and necessary for the protection of investors if the applicant or registrant has violated or failed to comply with any provision of the chapter or any rule thereunder.

22. Tenn. Code Ann. § 48-1-112(a)(1) and (a)(2)(G) provide that the Commissioner may by order deny, suspend, or revoke any registration upon finding that the order is in the public interest and necessary for the protection of investors if the applicant or registrant engaged in dishonest or unethical practices in the securities business.

23. Tenn. Code Ann. § 48-1-112(d) establishes that when the Commissioner is authorized to deny, revoke, or suspend the registration of an investment adviser or investment adviser representative, “the [C]ommissioner may . . . impose a civil penalty in an amount not to exceed five thousand dollars (\$5,000) for all violations for any single transaction, or in an amount not to exceed ten thousand dollars (\$10,000) per violation if an individual who is a designated adult is a victim.”

24. At all times relevant hereto, Tenn. Code Ann. § 56-6-112 has provided:

(a) The [C]ommissioner may place on probation, suspend, revoke or refuse to issue or renew a license issued under this part or may levy a civil penalty in accordance with this section or take any combination of those actions, for any one (1) or more of the following causes:

...

(2) Violating any law, rule, regulation, subpoena or order of the commissioner or of another state’s commissioner;

...

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;

...

(e) The [C]ommissioner shall retain the authority to enforce this part

and impose any penalty or remedy authorized by this part and this title against any person who is under investigation for or charged with a violation of this part or this title, even if the person's license has been surrendered or has lapsed by operation of law.

- (f) The [C]ommissioner may serve a notice or order in any action arising under this part by registered or certified mail to the insurance producer or applicant at the address of record in the files of the department. Notwithstanding any law to the contrary, service in the manner set forth in this subsection (f) shall be deemed to constitute actual service on the insurance producer or applicant.
- (g) If, after providing notice consistent with the process established by § 4-5-320(c), and providing the opportunity for a contested case hearing held in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, the commissioner finds that any person required to be licensed, permitted, or authorized by the division of insurance pursuant to this chapter has violated any statute, rule or order, the commissioner may, at the commissioner's discretion, order:
  - (1) The person to cease and desist from engaging in the act or practice giving rise to the violation;
  - (2) Payment of a monetary penalty of not more than one thousand dollars (\$1,000) for each violation, but not to exceed an aggregate penalty of one hundred thousand dollars (\$100,000). This subdivision (g)(2) shall not apply where a statute or rule specifically provides for other civil penalties for the violation. For purposes of this subdivision (g)(2), each day of continued violation shall constitute a separate violation; and
  - (3) The suspension or revocation of the person's license.
- (h) In determining the amount of penalty to assess under this section, the commissioner shall consider:
  - (1) Whether the person could reasonably have interpreted such person's actions to be in compliance with the obligations required by a statute, rule or order;
  - (2) Whether the amount imposed will be a substantial economic deterrent to the violator;
  - (3) The circumstances leading to the violation;

- (4) The severity of the violation and the risk of harm to the public;
- (5) The economic benefits gained by the violator as a result of noncompliance;
- (6) The interest of the public; and
- (7) The person's efforts to cure the violation.

25. The Findings of Fact detailed above show that the Respondent misappropriated funds from his employer for personal use, in violation of Tenn. Code Ann. §§ 48-1-112(a)(2)(B) and (G) and 56-6-112(a)(2) and (8).

26. The Commissioner finds the following relief appropriate, in the public interest, and necessary for the protection of investors.

#### **V. ORDER**

**NOW, THEREFORE**, based on the foregoing, including the Respondents' waiver of the right to a hearing and appeal under the Act and the Tennessee Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents' admission to the jurisdiction of the Commissioner, the Commissioner finds that the Respondent agrees to the entry and execution of this Consent Order to settle this matter as evidenced by the Respondent's signature.

**IT IS ORDERED**, pursuant to Tenn. Code Ann. §§ 48-1-116, 56-1-202, and 56-6-112, that:

1. The Respondent shall **COMPLY** with the Securities Act and Insurance Law, as amended, and all rules promulgated thereunder;
2. The Respondent is **BARRED** from securities registration in Tennessee.
3. The Respondent's insurance license, Tennessee Resident Insurance Producer

License Number 905455, is **REVOKED**.

4. The Respondent shall **PAY A CIVIL PENALTY** to the State of Tennessee of two thousand, five hundred dollars (\$2,500). The payment of such civil penalty shall be made by check payable to the Tennessee Department of Commerce and Insurance. Page one (1) of this Consent Order must accompany the payment for reference. Payment shall be made in eleven (11) monthly installments of two hundred eight dollars and thirty-three cents (\$208.33) and a final twelfth (12<sup>th</sup>) payment of two hundred eight dollars and thirty-seven cents (\$208.37) on the fifteenth (15<sup>th</sup>) of each month beginning on February 15, 2022. Payment and a copy of the first page of this Order shall be mailed to the attention of:

**State of Tennessee  
Department of Commerce and Insurance  
Attn: William Leslie  
Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, Tennessee 37243**

5. The Respondent's failure to comply with the terms of this Consent Order, including the manner and method of payment of the civil penalty described above, shall result in further administrative disciplinary action, which may include the assessment of additional civil penalties.

6. **IT IS FURTHER ORDERED** that this Consent Order represents the complete and final resolution of and discharge of all administrative and civil claims, demands, actions, and causes of action by the Commissioner against the Respondent for violations of the Securities Act and Insurance Law with respect to the transaction involved in the above-referenced facts. However, excluded from and not covered by this paragraph, are any claims by the Division arising from or relating to the enforcement of the Consent Order provisions contained herein.

7. This Consent Order is in the public interest and the best interests of the Parties. It represents a settlement of the controversy between the Parties and is for settlement purposes only.

By the signatures affixed below, or in two (2) or more counterparts, the Respondent affirmatively states the following: the Respondent freely agrees to the entry and execution of this Consent Order; the Respondent waives the right to a hearing on, or a review of, the matters, the Findings of Fact, and the Conclusions of Law underlying this Consent Order or the enforcement of this Consent Order; and the Respondent encountered no threats or promises of any kind by the Commissioner, the Division, or any agent or representative thereof.

8. By signing this Consent Order, the Commissioner, the Securities Division, the Insurance Division, and the Respondent affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement as set forth in this Consent Order, are binding upon them.

9. This Consent Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

**ENTERED AND EXECUTED** January 24, 2022

  
[Carter Lawrence \(Jan 24, 2022 08:49 CST\)](#)

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Carter Lawrence, Commissioner  
Department of Commerce and Insurance

APPROVED FOR ENTRY AND EXECUTION:



Jack H. Meeker  
Respondent



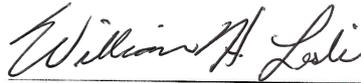
E B (Jan 19, 2022 13:59 CST)

Elizabeth H. Bowling  
Assistant Commissioner for Securities  
Department of Commerce and Insurance



Bill Huddleston (Jan 19, 2022 13:26 CST)

Bill Huddleston  
Assistant Commissioner for Insurance  
Department of Commerce and Insurance



William H. Leslie, BPR #036098  
Associate General Counsel  
Department of Commerce and Insurance